

**Testimony of  
The Connecticut ENT Society  
The Connecticut Society of Eye Physicians (CSEP), and  
The Connecticut Dermatology and Dermatologic Surgery Society (CDS)  
In Support of  
SB 1004; An Act Concerning Cooperative Health Care Arrangements  
And Standards in Contracts between Health Insurers and Health Care Providers  
Given by Jeffrey Sandler  
Before the Judiciary Committee**

**March 20, 2009**

Good afternoon Senator McDonald, Representative Lawlor and other distinguished members of this committee. My name is Jeffrey Sandler and I am here to speak in support of **SB 1004 Cooperative Health Care Arrangements and Standards in Contracts between Health Insurers and Health Care Providers**.

I am an ophthalmologist practicing in Bridgeport, Connecticut and am the president of the Connecticut Society of Eye Physicians, but I am here today as a worried partner in a small business, who has loved his profession and his state for the past twenty-four years. During this time I have witnessed unprecedented challenges from many directions that threaten the delivery of health care in Connecticut.

For a time, there was some balance among the patient, doctor, and insurer, but with the consolidation of managed care companies, and only a handful remaining, the relationship is no longer balanced, it has shifted so that the insurers have all of the power and control over health care. Doctors are having less and less say with regard to their patient's treatment plans and must appeal countless denials for patient benefits.

Today, insurers offer contracts with terms that cannot be negotiated and providers are left with a "take it or leave it" situation. These non-negotiable contracts allow the Managed Care Organizations (MCOs) to make unilateral changes to fee schedules, formularies, and provider panels during the contract period. On more than one occasion I have tried to negotiate a term that was unilaterally changed affecting patient's benefits and my compensation for these services. After months of asking for a review and reconsideration of this issue my only option was to resign as a provider.

Several weeks ago, I was asked by members of the Insurance Committee to name the "outliers" -those MCOs who were making unilateral changes and what medical specialties were being targeted. The answer is the high majority if not all MCOs make unilateral changes and every medical specialty is affected.

Connecticut physicians are clearly dealing with a crisis that is exacerbated by our inability to negotiate reasonable contracts, receive full fee disclosure, and our limited ability to control our overhead in a tightly regulated environment with ever increasing administrative expenses. Physicians are powerless when it comes to negotiating out the egregious terms in their contracts and have no ability to negotiate fees, or medical reimbursement policies. It puts providers in a unique position as we are unable to pass on increased expenses to patients or insurers – reimbursements and co-pays are determined in advance.

By passing SB 1004, physicians and other healthcare providers will be on an equal footing when negotiating health care terms, which will be under the watchful eye of the Attorney General's office. In addition, SB 1004 will provide some standards in contracting between the managed care industry and healthcare providers. Ultimately, through balance and fairness SB 1004 will reduce costs and improve the quality of health care in Connecticut

We strongly ask for your support and thank you for your consideration.